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Impartial ENQUIRY

INTO THE

V A L U E

O F

SOUTH-SEA STOCK.

W I T H

Some Thoughts of the Occasion of the
Present Decay of TRADE and CREDIT:
and some Means proposed for restoring the same.

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In a LETTER to Sir *Richard Steele* Knt.

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Salus Populi Suprema Lex Esto.

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*London, Printed in the Year 1720.*

IMPARTIAL ENQUIRY

INTO THE

SCOTLANDS STOCK

SOME PROCEEDINGS OF THE COMMISSIONERS OF THE  
PRESENT DEPT. OF THE EAST AND CREDIT  
AND SOME MEANS PROPOSED FOR IMPROVING THE SAME

In a LETTER to Sir Richard Steele Knt.

By John Topham Esq.



S I R,



*YOU having formerly in your Papers warned the Nation of its Danger from the Proceedings of the South-Sea Company, and therein foretold the Ruin we have since experienc'd; the following Thoughts concerning the same are submitted to your Perusal and Judgment. I am Yours, &c.*

A. B.



Considering the great Eagerness that was in the beginning of this Year in the Minds of most People to become Purchasers of *South-Sea* Stock almost at any Rate or Price, and how much the Price thereof in a little time lately abated, and the great Prejudice this Kingdom hath thereby suffered, it may not be amiss to enquire from whence that Inclination arose, and how it came to alter, and what Remedy is proper to be apply'd to the present Distress of the Nation; and whether *South-Sea* Stock were really of that high Value which was some time since set upon it, or of so small Value as it lately did bear, and what the true Value thereof is. To set that matter in a true Light, it will be necessary to consider what the Stock was worth at the time the Company's Proposal was accepted by the Parliament, and how much the Value thereof is since, and by what means increased.

The whole capital Stock of the *South-Sea* Company in the Year 1716, was Ten Millions, at the rate of 6 per Cent. per Annum, and in that Year by Act of Parliament reduced to 5 l. per Cent. and afterwards by a Subscription of some of the Tickets in the Lottery of 1710, and a Loan by the Company to the Government, the Capital received an addition of about 1,746,844 l. 8 s. 10 d. So that the whole Stock at the time of the Agreement with the Parliament, was about Eleven Millions and Three Quarters at 5 per Cent. of which it shall for the present be supposed no part had been lost or spent.

The Company being therefore at that time upon so good a foot, and there being a great Expectation, and almost a Certainty at that time of the Reduction of National Interest, their Stock which was not then redeemable till 1723, might well be computed at 110 per Cent. viz. 100 l. Principal Money, and 10 per Cent. which every 100 l. in any Stock, while the same is in credit, must be allowed to be better than any private Security, on account of the sure and easy receipt of Interest, and being kept in Stock or converted into Money so soon and so easily whenever the Owner pleases or wants it,

The

The Proposal of the Company being accepted by the Parliament, and therefore their Term being enlarged to 1727, and they having a Power to take under their Government and Management far the greatest part of the redeemable Debts of the Nation, and also a probability of taking in the irredeemable Debts, or great part thereof, their Stock on that account must be esteemed to increase or diminish in Value according as such Agreement was beneficial or prejudicial to the Company.

Their Proposal which was accepted, consisted of two Parts, the one relating to the redeemable, and the other unto the irredeemable Debts.

The redeemable Debts amounted to about 16 Millions, and one Half of which about five Millions carried Interest at 4 *per Cent.* and all the rest at 5 *per Cent.* And for the Liberty of taking in, or redeeming the said Debts, the Company were to give or allow about four Millions one hundred and fifty thousand Pounds, being about a Quarter Part thereof; and to be at liberty to increase or engraft their Capital with an Addition of so much Stock, as the said Debts so taken in amounted unto.

The Case of the Irredeemables would have been somewhat more difficult, because upon the Prospect of this Affair, the Price thereof was very much risen; but that would not have long continued: And the Annuities must have sunk down to the natural and true Value thereof, *viz.* the long Terms would have been at 24 Years Purchase, and the short ones at 14 Years Purchase.

The Government were to allow for the long Terms, if taken in only 20 Years Purchase; and therefore the Company would by them lose four Years Purchase, besides the Money to be paid or allowed the Government, for the Liberty of taking them in.

As for the short Annuities, the Government were to allow 14 Years Purchase for them, and thereby the Company would have had no Loss, only what they were to pay the Government for the Liberty of taking them in.

On the other hand, the Company would have been at liberty to have farther increased their Capital Stock to the Sum Total; the Government were to allow for the said irredeemable Debts, and which at 20 Years Purchase for the long Terms, and 14 Years Purchase for the short Terms, amounts to something more than 15 Millions.

The greatest Part of the Publick Debts being thus to be reduced into one Common Stock, and which thereby would have great Weight and Power; the same might very reasonably be esteemed very much above Par: It may be 20 *per Cent.* would not be too much to be allowed on that Account; but to make the Agreement, the Company had enter'd into with the Parliament, a saving Bargain, about 26 *per Cent.* must be allowed in their Stock for the Advantage of their Stock, beyond a private Security, and the Advantage of 5 *per Cent.* for seven Years certain, and from thence of 4 *per Cent.* till redeemed, and of Trade.

Taking therefore the Stock at 126, then 16 *per Cent.* must be advanced by the old Proprietors upon each hundred Pounds of their Stock, and 126 *per Cent.* by the new Proprietors, must have been paid for every 100 *l.* Stock they should have, *viz.* for their Stock, and to make good what the Company were to pay for the said Debts, more than they were to be allowed by the Government.

|                                                                 |       |            |
|-----------------------------------------------------------------|-------|------------|
| The 26 <i>per Cent.</i> by the new Proprietors, makes           | —     | 8,190,000  |
| The 16 <i>per Cent.</i> by the old Proprietors, makes           | —     | 1,880,000  |
|                                                                 | Total | 10,070,000 |
| To be paid the Government, about                                | —     | 7,725,000  |
| The four Years Purchase lost by the long Annuities, makes about | —     | 2,667,000  |
|                                                                 | Total | 10,392,000 |



But then there is time given for the Payment of the 7,725,000 to the Government, which will much more than make good the Deficiency of 322,000. So that selling the whole 31,500,000 Stock at 126, and advancing 16 per Cent. on the old Stock, would have paid the Government, and made good the Loss sustained by redeeming the long Terms, according to this Computation.

And this Method would have been the best, both for the Company and the Nation, but not for the old Proprietors, who would have been no Gainers thereby; and if they were no Losers, it is reasonable to imagine, it was not design'd they should have been Gainers, and they pretended only to serve the Nation by their Agreement. But this Affair hath taken a quite different Turn; for no sooner was the Proposal of the Company accepted, but presently South-Sea Stock was at near 200 per Cent. upon an Imagination that great Advantage would by such Agreement accrue to the Company.

Soon after the South-Sea Act was passed, a Subscription was set on foot for 2,250,000 Stock, or thereabouts, at 300 per Cent. and thereby the Capital of the Company became about 14,000,000; and soon after, another Subscription was set on foot for 1,500,000, at 400 per Cent. and since another Subscription was set on foot for 5,000,000, at the rate of 1000 per Cent. and afterwards a 4th Subscription, at the like Price, for 1,250,000. But lately the said two last Subscriptions have been reduced to 400 per Cent. Great Numbers of the long Annuities were also in May last subscribed at seven Years Purchase in Stock, and five Years and three Quarters Purchase in Money, or the Company's Bonds, for all the long Annuities, except the Annuities of 14 per Cent. and for those Annuities 700 Stock, and 511 in Money, for each 98 l. per ann. And several of the short Annuities were at the same time also subscribed at the Rates or Terms following, viz. about four Years Purchase in Stock, and two Years Purchase in Money, or the Company's Bonds, for the Prizes of the Lottery of 1710; and for the Blanks of that Lottery for every 100 l. 350 l. Stock, and 353 l. 10 s. Money or Bonds: and for the 9 per Cent. for every 90 l. per ann. 350 l. Stock, and 217 l. 10 s. in Money, or the Company's Bonds as aforesaid.

A second Subscription hath been lately open'd for the long and short Annuities not before subscribed, and for the redeemable Debts, at the rate of eight Years Purchase in Stock for the long Annuities, and four Years and a Quarter Purchase for the short Annuities, and for the redeemable Debts to take the Stock at 400: and for all the whole Stock the Dividend of 10 per Cent. made at Midsummer last, is to be allowed.

'Tis said upon the first Subscription about 427,162 per ann. of the long Annuities, and about 64000 per ann. of the short Annuities was subscribed, and which in the following Computation shall be supposed true, and that of the long Annuities a proportionable Number of the 14 per Cent. were subscribed, and of the short Annuities a proportionable Part of each was also subscribed; and it shall also be supposed, that upon the last Subscription about 125000 per ann. of the long Annuities, and about 34000 per ann. of the short Annuities have been subscribed, and of the redeemable Debts about 14,400,000 have come in, and accepted the Terms offer'd by the Company.

The State of the Stock will then stand thus:

|                                                                                                                      |   |   |            |
|----------------------------------------------------------------------------------------------------------------------|---|---|------------|
| The Original Stock about                                                                                             | — | — | 11,750,000 |
| The first Subscription                                                                                               | — | — | 2,250,000  |
| The second Subscription                                                                                              | — | — | 1,500,000  |
| The third Subscription                                                                                               | — | — | 5,000,000  |
| The fourth Subscription                                                                                              | — | — | 1,250,000  |
| Upon the first Subscription 85162 per ann. of the 14 per Cent. }<br>at seven Years Purchase for every 98 l. per ann. |   |   | 608,300    |
| Upon the first Subscription of the rest of the long Annuities, }<br>being 342000 per ann. at seven Years Purchase    |   |   | 2,394,000  |
| 6000 Pounds per ann. the Prizes 1710, at four Years Purchase                                                         |   |   | 24,000     |

To three Years and a half Purchase of 17878, Blanks 1710 } 62,573  
 For three Years and a half Purchase of 40,122 per ann. } 156,030  
 9 per Cent. ———— }  
 Upon the second Subscription for 125000 per ann. of the } 1,000,000  
 long Annuities, at eight Years Purchase ———— }  
 And four Years and a quarter of 34000 per ann. upon the se- } 144,500  
 cond Subscription of the short Annuities ———— }  
 And for the 14,400,000 of the redeemable Debts ———— 3,600,000  
 Total 29,739,303

So that the whole Stock would be about 29,739,303

To which must be added 10 per Cent. for the Midsummer } 2,973,930 6  
 Dividend, upon the whole ———— }

And the Sum-Total of this Stock is 32,713,233 6

or thereabouts; the Proprietors whereof will be entitled, after Payment of the Money to be allowed the Government, and to be paid to the first Subscribers of the long Annuities, unto the following Sums, viz.

The Debt to the Original Proprietors, about 11,750,000  
 Received, and to be received on the first Subscription 6,750,000  
 Ditto upon the second Subscription 6,000,000  
 Ditto on the third Subscription 20,000,000  
 Ditto on the fourth Subscription 5,000,000  
 To be allowed by the Government for the long Annuities }  
 taken in, being 20 Years Purchase, for about 552162 } 11,043,240  
 per ann. about ———— }  
 To be allowed by Ditto for the short Annuities, being 14 }  
 Years Purchase, for about 98000 per ann. } 1,372,000  
 To be allowed for the redeemable Debts, about 14,400,000  
 Total 76,312,000

Out of which must be deducted what is to be paid to the } 7,185,000  
 Government, amounting to about ———— }

And to be paid the first Subscribers of the long Annuities;

That is to say,

To the 14 per Cent. 444, 467, 16, 00 }  
 For the other long Annuities 1,966, 500, 00, 00 }  
 For the Prizes 1710. 12, 000, 00, 00 } 2,583,084 10  
 For the Blanks, about 63, 198, 14, 00 }  
 For the 9 per Cent. about 96, 918, 00, 00 }  
 Total 9,768,084 10

Which being deducted out of 76, 312, 000  
 There will then remain about 66,543,915 10

To be divided amongst the Proprietors of about 32,713,233,06 Stock, and which will amount to about 203 per Cent. in Money, or some few Shillings more for every 100 l. Stock without the Dividend; and if 20 per Cent. be allowed for the advantage of Interest, and of a publick beyond a private Security,



urity, then the real Value of each Hundred Pound capital Stock, exclusive of the Dividend, will be 243,12 *per Cent.* If 30 *per Cent.* be allowed for the advantage of Interest, and of a publick above a private Security, then each Hundred Pound Stock will be worth, exclusive of the Dividend, 263,18 *per cent.* If 40 *per cent.* be allowed on those accounts, then it will be 284,4. And if 50 *per cent.* then it will be 304,10. And at 60 *per cent.* 324,16. And at 70 *per cent.* 345,2. If 80 *per cent.* 365,8. will be the Value thereof, exclusive of the Dividend.

To make a reasonable Supposition what is on account of Interest generally allowed; we find, if 4 *per Cent.* were to be had, People were contented, and possibly if Credit were restored would be again contented, although such Interest may determine in less than 20 Years, and great Part of the Principal be sunk; therefore 203 certain Money at 5 *per Cent.* may be reckoned in a Stock at the rate of 253 *l.* 15 *s.* And what more it sells for, will and must be accounted to be given for the Advantage of a publick beyond a private Security, and which at 20 *per Cent.* is 304 *l.* 10 *s.* and at 40 *per Cent.* will make it 355 *l.* 5 *s.* which certainly is a very excessive Price to pay: and it is hardly to be supposed that any Person should meet with so much Difficulty or Danger in a private Security, as to allow 40 *per Cent.* more for a publick one; but if the common Opinion be otherwise, there is little or no Loss: for, if any Person gives that Premium when he buys, he'll receive the same, or near the same when he sells; and as the Loss will light upon the last Owner, the Premium will by degrees abate, as the Term expires, and the Time of redeeming the Stock draws nearer.

It remains to be enquir'd how the Stock came to rise to 800 and 900 *per cent.* which must be attributed partly to the mad Humour of the Time, and some little Art and Management that was used to induce People to believe the real Value thereof to be excessive. As to the two last Subscriptions, which were at first at 1000, and since lower'd to 400, if the same had stood, and been readily comply'd with, they would have raised the whole Stock only about 100 *per cent.* in Value; and those Subscriptions were greedily laid hold on, in expectation that Stock would have been at 1500 *per cent.*

There was in the *Flying-Post* of the 16th of April last, a sort of a Scheme printed of the Value of *South-Sea* Stock; whereby the Author pretends to prove in effect, that whatever Price any Person should give for *South-Sea* Stock, still it would be worth more than he should give. And to evidence the truth thereof, he pretends if for all the Stock besides the 11,750,000 *l.* 300 *per Cent.* were to be given, the Stock would then be worth 448, 15 *per Cent.* And if 600 *per Cent.* were to be given for all such additional Stock, then the Stock would be worth 880—8—4. And this he pretends to prove in a very extraordinary manner. He states the Stock as being about Eleven Millions and a Quarter, and the redeemable and irredeemable Debts at about Thirty-one Millions; which he supposes to be taken in at 300 *per Cent.* or for Ten Millions and about 350,000 Stock; and that then the whole Capital would be about Twenty-one Millions and a Half, and would have about Twenty Millions and a Half of Stock to sell at 300 *per Cent.* and which would at that Price amount to about Sixty-one Millions and a Half; and being added to the whole Debt from the Government of about Forty-two Millions, would make about One Hundred and Three Millions; which after deducting the Money to be paid the Government, he very gravely supposes is to be divided between the Proprietors of Twenty-one Millions and a Half Stock, and that those who should buy the Twenty Millions and a Half of Stock, are to have nothing, although they pay 300 *per Cent.* for the Stock by them bought.

To state it therefore truly, if the whole Debt were taken in at 300 *per Cent.* and the Stock thereby encreased only to about Twenty-one Millions  
and

and a Half, then the Proprietors thereof would be entitled to the whole Forty-two Millions, deducting only the Money to be allowed the Government; and if they sold the rest of the Stock at 300, then the Capital would be about Forty-two Millions, and the Proprietors thereof entitled to the Forty-two Millions from the Government, and the Sixty-one Millions and a Half, for which the residue of the Stock was sold, deducting only the Money to be allowed the Government; and therefore 100 capital Stock would not have amounted to 230 *per Cent.* in Money.

In the same fallacious manner does he make his Computation, upon the Supposition of taking in the publick Debts at 600 *per Cent.*

'Tis hard to determine whether People were misled by these Schemes published in the afore-mention'd *Flying-Post*, and imagined in the *South-Sea* there were to be found inexhaustible Treasures, and that no Price was too large to be given for the *South-Sea* Stock; or whether some crafty People disguised the Truth, encouraged the Cheat, and soothed his Majesty's honest and well-meaning Subjects in false but pleasing Dreams of growing Rich without Labour and Industry, that thereby the Seducers themselves might share the Plunder. But 'tis very certain, great numbers of People, in hopes of doubling or greatly increasing their Substance, have been bereft of it all, and the Produce of many Years honest Labour and Toil is shifted from the possession of those that worked for it, into the hands of dissolute Sharpers and bankrupt Projectors.

*His aliud Mercedis erit.* No doubt, our wise Governors will take care such Enemies to their Country shall not go unpunish'd. But 'tis time the Storms that have been raised by such abandon'd Villains, and have so troubled our pacifick Seas, and wrecked so many of our noble Ships, *viz.* our rich and wealthy Traders, and almost ruin'd our Credit, should cease, and the troubled Ocean subside.

It remains therefore to be consider'd by what means the Stock hath been reduced to so low a Condition, and what hath occasion'd such an extensive Calamity throughout this great City, and the whole Nation, and by what Measures our lost Credit may be restored, and those Families that are not yet sunk under Misfortunes, may be redeemed from utter Ruin. Thus far is certain, the Directors of the *South-Sea* Company were in the right to take advantage of the general Madness of the Times and the Rise of their Stock, and to take in Subscriptions at 300 and 400 *per Cent.* and had they gone no farther, no harm had happen'd to the Affairs of the Company, but they would have had a great deal of Money under their command, whereby they might have fixed a powerful and advantageous Trade. This they should not have carried further than to raise Money sufficient to discharge the Government-Debts they were to take in, and to perform their Agreement with the Government, and to raise a Stock to trade with. But not content with a certain Advantage, they stretched their String till it broke asunder; and the Credit and Reputation of the Company being quite gone, great Calamities ensu'd; to which, without doubt, many that have profited by the rise of the Stock, did not a little contribute, by locking up the Money they had got, and using many Artifices to sink the Price of the Stock, that they might take the advantage of the Distress of others, and buy in again at a very low Rate, and increase excessively their former ill-gotten Riches.

'Tis plain, the first occasion of the Stocks sinking was want of Money, which was what might have been easily foreseen by the Directors to be unavoidable upon the excessive Rise of the Stock, whereby Foreigners and ill-designing People at home had an opportunity of amassing vast Heaps of Money, a great part whereof hath been undoubtedly carried out of the Kingdom. And therefore the Directors should at first have taken care to abate and not increase  
the



the Flame. They should not have encourag'd and enabled the bold Adventurers to run without Thought into Destruction. They should not have lent out the Money they receiv'd on the Subscriptions, but have kept and made use of the same for the use of the Company in Trade, and in paying off some of the redeemable Debts.

But having thus imprudently raised their Stock to a Price, at which it could not possibly long subsist, and finding the same likely to sink; the Reputation of the Company was next to be sacrificed, and for that purpose Terms were to be granted, not offered to the Proprietors of the redeemable Debts, subscribed (as it is called) into the Company, with which they were sure the Proprietors would not be content; but they were to be forced to accept the same: And in like manner were the Proprietors of the Irredeemables, upon the second Subscription, to be used. Time will shew, whether with all their Cunning the Company will be able to carry their Point therein; but whatever they may really gain thereby, 'tis certain nothing hath done more injury to their Reputation.

Had not the Company lent out the Money they received on the Subscription, Stock could never have risen to the Height it did; nor would many ruinous Contracts have been made for the same: and had not the redeemable Debts subscribed and unsubscribed been locked up, the Proprietors thereof would not have been under so great a Distress for Money, nor would there have been so many Sellers of Stock; and consequently the Price could not have fallen so low. Besides, the Proceedings of the Company created a general Distrust, and those who had Money in the Hands of Bankers, immediately drew it out, and would not venture to lay it out upon Stocks, which began to be thought of uncertain Value, and what few understood, and would therefore have gladly laid it out in the Purchase of the Redeemables, where every Man knew he should have the Value of 100 *l.* for 100 *l.* and run no Risque, the Faith of the Publick remaining as yet unshaken.

Having taken these false Steps, and great Numbers of Families being thereby ruined, and many more upon the Brink of Ruin, what Step is next taken by these wise honest Directors? Why truly, a General Court is called, and there they are thanked for what they had done, and it is confirmed; but that only increasing the Ruin, a second General Court is called, and great things are to be done for the Proprietors of the Stock; that is, for the Subscribers only to the Stock at 1000 *l.* and for the Proprietors of the second Subscription of the redeemable and irredeemable Debts (in case they were bound by their Subscription.) But how all the other Proprietors of the *South-Sea* Stock were to receive Benefit by reducing those Subscriptions, will never be found out. However, People were for the present pleased, and Stock began to rise again: But it did not long continue, but soon fell again. As to the Proprietors of the second Subscription of the redeemable and irredeemable Debts, 'twill perhaps be found, that they are neither obliged to accept the Terms first granted, or those afterwards offered to them by the Company; and the Event will shew the Company had better never insisted on the second Subscription thereof. But as to the third and fourth Money Subscriptions, it is now plainly perceived, the Reducers thereof had chiefly in view the relieving themselves and their Friends: but none of the Methods yet taken by the Company have restored their Credit and Reputation.

Amongst the many Arts made use of to depreciate the real Value of the Stock, not only a great deal of Villany is laid at the Door of the Directors, but the Company is represented as insolvent, and that if they discharge the last Subscription of the publick Debts, their Stock will be worth nothing, and that all the Money they have received hath been lent and squandered away. But all this when examined will appear to be a gross Misrepresentation

tion of their Affairs, and contrived chiefly to lower the Stock by those Persons, who know otherwise, only that they may take advantage of other mens Misfortunes and Profit, by the general Calamity that hath befallen the Nation. To undeceive People in this Matter, 'twill be necessary to shew how much the Stock will be really the worse for the Money lent out by the Company, and how much in case the Proprietors of the publick Debts, that made the second Subscription thereof, be not bound by, or are discharged from their Subscription.

To set that Matter in a clear Light, it must be consider'd what Money the Company receiv'd upon their several Subscriptions, and how the same has been in all probability employ'd.

Upon the first Subscription on the 14th of *April* 1720, the Company receiv'd

1,350,000

Upon the second Subscription, *April* 29. 1720.

600,000

Again, upon the first Subscription, *June* 14th 1720.

675,000

And *June* the 16th 1720, upon the third Subscription,

5,000,000

7,625,000

And as no Money was paid by the Company for the last *Christmas* Dividend, it shall be supposed they had in Money by them of what they had receiv'd of the Government, and borrow'd on their Bonds

375,000

8,000,000

And it shall be supposed the whole Eight Millions was lent out upon Stock at the rate of 400 *per cent.* and that such Stock will never be redeemed; and then for that Eight Millions the Company will have back Two Millions of Stock, with the Dividend of 10 *per cent.* for the same.

A great deal hath been said of the Company's lending Five, Six, Seven, and Eight Hundred *per cent.* on Stock when it was sinking; and therefore it shall be supposed that all the other Money by them lent, was lent at 600 *per cent.*

The next Money they receiv'd was upon the first Subscription *August* 15th 1720, and was

675,000

And on the fourth Subscription, *August* 24th 1720,

2,500,000

And on the 14th *September*, on the second Subscription,

600,000

3,775,000

Of which shall be supposed to be lent at 600 *per cent.* on Stock 3,774,000. and that 1000 *l.* remains in Cash, and then there will be 629,000 Stock more, with the Dividend of 10 *per cent.* mortgag'd to the Company that will be never redeemed, and the Account of the Value of Stock will then stand thus:

Stock at 400 *l.* on first Mortgage

2,200,000

Stock at 600 *l.* on second Mortgage

691,900

2,891,900

And which being deducted out of the Capital of

32,713,450

2,891,900

The Capital will then be

29,821,550

And



And the Sums lent, *viz.*

8,000,000

3,774,000

---

11,774,000

Must be deducted out of their whole Sum before-mention'd, *viz.* 66,543,750

11,774,000

And there then remains

54,769,750

To be divided amongst the Proprietors of

29,821,550

And which will amount to about 187 *per cent.* And therefore suppose all this Money were lent in manner above-mention'd, which is very unreasonable to suppose, several of the above-mention'd Payments having never been made to the Company upon the Subscriptions, but for the latter Payments Credit hath been given by the Company, and therefore the Loss hath not been half so much to the Company as is herein supposed, and which at the utmost is not above 16 *per cent.* But on the other side, it will be very reasonable to imagine that the 600,000 that is mention'd to be paid the 14th of September, was no part of it receiv'd in Money, but either lent upon the Subscription, or receiv'd by the Company's Bonds, and also several other Sums herein before-mention'd to be receiv'd by the Company; and therefore no Loss will thereby be sustained: and if a prudent Method be observed, whatever Money was lent out at 400, may and will be again repaid, and no Loss thereby accrue to the Company; and so little if any was lent out at above 400 *l.* that but small Loss will thereby arise to the Company.

This at first sight will perhaps appear improbable; but whoever considers how small a Discount is even now upon the Subscription at 400, will readily believe if a reasonable time be given to the Borrowers at several Installments to repay the Money borrowed, and at the same time they are given to know that they are liable (as undoubtedly they are) to make immediate payment of the whole, and will by Law be compelled thereto, unless they make immediate Payment of some part thereof, and enter into some Security to pay the residue thereof: And that the Company are not to be Sufferers for the generosity or knavishness either of their Clerks or Directors. And where any Money was lent by Fraud at 600 *l.* or any other such Price, that the Persons guilty thereof, and all their Estate and Effects, should be made liable to save harmless the Company from any Loss or Damage by such Loan: And by these means the Loss to the Company by Loans may be almost entirely retrieved. But however, after all it shall be supposed, that by the Insolvency of the Borrowers, or otherwise, a clear Loss of one Million, which is more than can be reasonably supposed, shall befall the Company, then that will vary the Stock 3 *per Cent.* and reduce each 100 *l.* Stock from being 203 *l.* to 200 *l.*

The next thing to be considered is the last Subscription of the redeemable and irredeemable Debts, and how much the discharging those Subscriptions will prejudice the other Proprietors of the Stock; and that will best appear by examining how much the Company get by that Subscription.

As to the Subscription of the Redeemables, of which were?

14,400,000

In lieu thereof the Proprietors were to have in Stock

3,600,000

And the Dividend of 10 *per Cent.*

360,000

---

Stock in all

3,960,000

Which supposing the Stock to be worth only 200 *per Cent.*?

7,920,000

And the Money to be paid the Government for the Liberty?

3,600,000

of taking them in, amounts to about

---

Total 11,520,000

|                                                                                                                                                                                                                                                                                                                                                             |              |            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------|
| So that the Company would gain by the said Redeemables only                                                                                                                                                                                                                                                                                                 | brought over | 11,520,000 |
|                                                                                                                                                                                                                                                                                                                                                             |              | 2,880,000  |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
|                                                                                                                                                                                                                                                                                                                                                             |              | 14,400,000 |
| As to the long Irredeemables last subscribed for 125000 per Annum subscribed, the Company were to give to the Proprietors in Stock                                                                                                                                                                                                                          |              | 1,000,000  |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| And the Dividend of 10 per Cent.                                                                                                                                                                                                                                                                                                                            |              | 100,000    |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
|                                                                                                                                                                                                                                                                                                                                                             |              | 1,100,000  |
| And for them, they were to receive of the Government Supposing then the Million of Stock given to the Proprietors to be worth only 200 l. per Cent.                                                                                                                                                                                                         |              | 2,500,000  |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| And the 10 per Cent. at the same Price                                                                                                                                                                                                                                                                                                                      |              | 200,000    |
| And the Money to be paid the Government                                                                                                                                                                                                                                                                                                                     |              | 562,500    |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| In all                                                                                                                                                                                                                                                                                                                                                      |              | 2,762,500  |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
|                                                                                                                                                                                                                                                                                                                                                             |              | 2,500,000  |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| Deducting from which the Money allowed by the Government, there will be lost by the Company                                                                                                                                                                                                                                                                 |              | 262,500    |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| As to the short Irredeemables, of which about 34000 l. per Ann. was taken in on the last Subscription, there was allowed by the Company in Stock to the Proprietors thereof                                                                                                                                                                                 |              | 144,500    |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| And the Dividend of 10 per Cent.                                                                                                                                                                                                                                                                                                                            |              | 14,450     |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
|                                                                                                                                                                                                                                                                                                                                                             |              | 158,950    |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| Which at 200 per Cent. amounts to                                                                                                                                                                                                                                                                                                                           |              | 317,900    |
| And to be paid to the Government                                                                                                                                                                                                                                                                                                                            |              | 153,000    |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
|                                                                                                                                                                                                                                                                                                                                                             |              | 470,000    |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| And for the said short Annuities, the Government were to allow the Company only                                                                                                                                                                                                                                                                             |              | 476,000    |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| Out of which being deducted what the Company give, viz.                                                                                                                                                                                                                                                                                                     |              | 470,000    |
| The Company gain only                                                                                                                                                                                                                                                                                                                                       |              | 6,000      |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| And by the long Irredeemables they lose                                                                                                                                                                                                                                                                                                                     |              | 262,500    |
| Deducting what they gain by the short Irredeemables                                                                                                                                                                                                                                                                                                         |              | 6,000      |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| The Company in the whole lose by the Subscription of the Irredeemables, supposing the real intrinsic Value of their Stock only 200 per Cent. but if it should be higher the Company would thereby be much greater Losers,                                                                                                                                   |              | 256,500    |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| Deducting then the said 256,500 from the which                                                                                                                                                                                                                                                                                                              |              | 2,880,000  |
| They gain by the Redeemables                                                                                                                                                                                                                                                                                                                                |              | 256,500    |
|                                                                                                                                                                                                                                                                                                                                                             |              | <hr/>      |
| There remains                                                                                                                                                                                                                                                                                                                                               |              | 2,623,500  |
| And which being taken away, each 100 l. Stock would thereby be about 9 per Cent. the worse; but supposing the Losses of the Company by their lending out Money as herein is before-mention'd to the utmost, and the Stock in Money to answer it, 187 per Cent. then the Loss in discharging the Subscription of the Redeemables would be about 12 per Cent. |              |            |



But let the worst be supposed both as to the Loan of Money, and the discharging the last Subscription, and deduct 16 per Cent. for the one, and 13 per Cent. for the other, in all 29 per Cent. and about 2 per Cent. extraordinary for discharging both, in all 31, and deduct the same from 203 per Cent. and there will still remain in good Money 172 per Cent. for every hundred Pound capital Stock. And the State of the Stock will then stand in the following manner, viz.

|                                             |               |
|---------------------------------------------|---------------|
| Original Capital Stock                      | 11,750,000    |
| First Subscription                          | 2,250,000     |
| Second Subscription                         | 1,500,000     |
| Third Subscription                          | 5,000,000     |
| Fourth Subscription                         | 1,250,000     |
| First Subscription of Long Annuities        | 3,002,300     |
| First Subscription of Short Annuities about | 242,600       |
|                                             | <hr/>         |
|                                             | 24,994,900    |
| At 10 per cent. Dividend                    | 2,499,490     |
|                                             | <hr/>         |
|                                             | 27,494,390    |
| Out of which must be deducted, which they   | } 2,200,000 { |
| lent 400 l. per cent. on                    |               |
| And also what they lent 600 l. per cent. on | 691,000       |
|                                             | <hr/>         |
|                                             | 24,603,390    |

And which will then be their whole capital Stock, and entitled to the Sums following, viz.

|                                                              |               |
|--------------------------------------------------------------|---------------|
| Due originally from the Government                           | 11,750,000    |
| The Remainder of the first Subscription                      | 4,050,000     |
| The Remainder of the second Subscription                     | 4,800,000     |
| The Remainder of the third Subscription                      | 15,000,000    |
| The Remainder of the fourth Subscription                     | 2,500,000     |
| From the Government for the long Annuities first subscrib'd, | } 8,540,000 { |
| about                                                        |               |
| From ditto for the short ones                                | 896,000       |
|                                                              | <hr/>         |
|                                                              | 47,536,000    |
| Out of which deducting the Money to be paid                  | } 2,511,760 { |
| the Government for the Irredeemables                         |               |
| And to the Proprietors of the Annuities                      | 2,583,250     |
|                                                              | <hr/>         |

There will then remain 42,440,990

Which being divided amongst the Proprietors of 24,603,500 Stock, will make about 172 Money for every 100 Stock.

Let it be farther supposed the Company had before lost by Trade, or otherwise, 500,000 l. still the Stock will be 170 per cent. So that taking every thing for granted to the disadvantage of the Company, there will be for every 100 l. Stock 170 l. in Money, or Government, or other good Securities for Money. But 'tis to be hoped all these terrible things that are said of the Directors of the Stock are not true, nor hath so much of their Treasure been mismanag'd, but what may be recover'd again. And then supposing a Million to be lost by Loans, and the last Subscription of the publick Debts discharged, the state of the Stock will stand thus, viz.

|                                                                                                                                                          |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Total of capital Stock will be then                                                                                                                      | 27,494,490 |
| And entitled to about                                                                                                                                    | 53,215,990 |
| and which will amount to about 194 per cent. supposing the Redeemables when afterwards taken in, to bear their own Burden, as is herein before supposed, | upon       |

upon a Computation that none of the mortgaged Stock will be redeemed. The great thing that remains, will be how to make this 170, or 190, or 194*l.* pass current for 250, 280, or 300. And that is very possible to be done, if the Company can regain their Credit, and they that have Money may with reason expect fair dealing with them. And to that end it will be necessary for the Company to act with the utmost Integrity, and in the plainest manner, and without any even seeming Fraud or Deceit; and above all, to forbear every thing that may look like Force or Compulsion. For *Englishmen* are very jealous, not only of their Liberty, but also of their Property, and will forego any Advantage where they apprehend Hazard, and that arbitrary Power will be made use of against them.

The next thing necessary will be to restore Peace and Harmony amongst the Members of the Company, and to prevent all intestine Broils and Quarrels amongst themselves; and for that purpose that equal Justice be done to all the Members; and not only so, but to all other Persons concerned with the Company, that the Company may not be involved in any Disputes or Quarrels occasion'd by Hardships or Difficulties put upon others. And perhaps all their Quarrels may be best determin'd amongst themselves, and without the participation of other Persons, who may perhaps have Views different from the good of the Company in redressing their Affairs.

The next thing necessary will be for the Company to have a Stock of Money by them, and to contrive how to carry on an advantageous Trade, and to make some reasonable Dividends to the Proprietors; which would be a great Encouragement to those who have Money to become Purchasers of the Stock, when they see some Money paid out by the Company. Various Schemes have been talked on, and handed about, for Relief of the Sufferers. Some of which deserve no notice: such as the making a new Species of Money; making void every thing that hath been done since the 1st of *January* last, and such like. Others have propos'd to reduce all the Subscriptions to 300*l.* not considering the Injustice that thereby would be done to all the other Proprietors of Stock, some of whom have bought the same at an excessive high Price; and not only so, but that the Stock would thereby become in real Value above 30 *per cent.* the worse, even without any consideration had to the last Subscription of the publick Debts. And what pretence can there be to ease the Money Subscribers to the prejudice of 30 *per cent.* to all the other Proprietors?

Others propose that the Government should release the Company of the Money to be paid for their Contract. But that would not, exclusive of the last Subscription of the publick Debts, make the Stock at most above 10 *per cent.* the better. And what have the Company done for the Benefit of the rest of his Majesty's Subjects, that the Company should expect to be released from their Obligation, especially if they will not do Justice to other People?

Others propose the Parliament should engage in behalf of the Company, and become Guarantees that the Stock shall be worth 300*l.* or the Proprietors have a yearly Dividend of 15 *per cent.* If the Stock were really worth 300*l.* or the Company could make such Dividend, what need have they of the Aid of the Parliament? If otherwise, how unreasonable is it to ask the rest of his Majesty's Subjects to contribute to make good the Deficiency? And it is to be hoped that a *British* Parliament, to all the other Misfortunes of the Nation, will not add a new Load, by increasing the Debts of the Nation only to help the *South-Sea* Company. What Encouragement would thereby be given to Knaves and Villains to plunder the Publick? And in what terrible manner must his Majesty's honest Subjects be pillaged, to make good the Deficiencies, without being any ways the Authors thereof?



Others have propos'd the reducing of Interest, some would have it to Four, others to Three *per Cent.* and so by making all new private Securities less valuable, to raise the Price of publick ones. What Care soever such Projectors may take of *South-Sea* Stock, or other publick Stocks; 'tis certain, they either know not, or care not what will be for the Benefit of the Nation: 'tis certain, nothing can at this time do more Prejudice unto the Nation, and it would be very likely the utter Ruin of this Kingdom.

Whoever considers the Nature of Money, and what makes it more or less valuable, will find that it is impossible by Law to fix the Interest thereof: And that there is a natural Interest thereof, which will continually vary according to the Circumstances of the Times; not but that to prevent Extortion and Oppression, it will be necessary some Law should limit Interest; but then the Interest allowed by Law, should be rather higher than the natural Interest: For thereby People would be more free and open in lending their Money, and no clandestine Arts or Frauds would be made use of therein, and much Fraud and greater Oppression would undoubtedly be the Consequence of Legal Interest being lower than Natural Interest. It is the Scarcity or Want of Money makes Interest high, and nothing but Plenty of either real or imaginary Money, can make Interest fall. A little after the Revolution Money was greatly wanted by the Crown of *England*, and great Advantage was at that time made by lending Money upon the publick Faith of the Nation; and that Advantage not only brought out the Money that was hoarded up here at home, but occasioned great Remittances from abroad, to put into our Funds, and by degrees made a Plenty of Money; and what farther augmented it, was the Imaginary or Paper Money, that by degrees obtained equal Credit, and pass'd as current as real Money: This contributed greatly to the Increase of the Trade and Riches of the Kingdom, and by degrees the Interest of Money lower'd itself, and the same publick Securities that at first the Crown paid Interest for at the rate of 6 *per Cent.* besides 2, 3 and 4 *per Cent.* discount, were at last readily accepted at 4 *per Cent.* But the Consequence thereof was, that we began to think that too much, and to endeavour by the Agreement with the *South-Sea* Company to reduce it lower, or to take a very large Premium for the Liberty of borrowing Money at 5 *l. per Cent.* And thereupon great Quantities of Money have been exported, our real Money lessen'd, and our Paper Money in great danger of not passing current; at least our Fears had made it necessary, in order to save the Credit of our Paper Money, to let vast Quantities of our real Money lie dead, which at this time is so much wanted in Trade, and the Scarcity whereof hath occasioned almost an universal Stagnation of Credit.

Besides, the only way to secure Plenty of Money, is to give good Encouragement to the Owners to lend it, and that can only be by convincing them that they may safely lend it, and that they will make good Profit by the Loan thereof; and whatever Interest is given to the Lender, if the Borrower makes more Profit of the Money, he will be a Gainer. Let this be apply'd to the Case of the Nation: If Foreigners lend us Money at 6 *per Cent.* and we make ten in Trade by it; don't we get clearly 4 *per Cent.* by the Use of their Money? and should we abate their Interest, and tempt them to draw out their Money? Should we not rather by strictly performing our publick Engagements with all People that have lent us Money, and allowing them such Interest as shall be reasonable, endeavour to preserve their good Opinion of us? And altho Money may at present seem scarce, yet, if the Nation break not through their Engagements, but continue to give reasonable Encouragement to the Lenders, Money will not be wanting to supply our Necessities, and fully to restore our Credit.

No Notice is herein taken of any Agreement between the *South-Sea Company* and the *Bank of England*, because no Agreement between them can be for the Benefit of either of the Companies, or by any means for the Good of the Nation; nor will it be for the Benefit of the Kingdom at present, to redeem or pay off any Part of the *Bank Stock*: all which, whenever Occasion shall require, may be made very plain.

To relieve us therefore in our present Misfortunes, 'twill be absolutely necessary in the first place, immediately to discharge the Second Subscription of the publick Debts, and leave every Proprietor for the present to dispose thereof as he shall have occasion, or thinks fit. This would not only by degrees draw the Money out of private Hands, where it lies dead; but also induce People abroad to remit hither their Money again, for the sake of a certain reasonable Interest; and such of the Proprietors of those redeemable Annuities that want Money, would be supplied therewith; and the Money would circulate, Trade revive, and Credit be restored. And therefore for the present 'twill be best to lay aside all thoughts of redeeming all those Debts, and in consideration thereof, to release the *South-Sea Company* of the Money by them to be paid on that account. As to the First Subscription of the irredeemable Debts, it must be confessed some hardship hath been undergone by the Proprietors, by the Company's so long delay of giving them the Stock they were to have in lieu of their Annuities; but that hardship falls only on those that subscribed them, in order afterwards to sell them for more Money than they thought them worth; and if they are disappointed 'tis no great matter, since upon the whole they will be little or no Losers: And if they had disposed of the Stock, they were to have for the same at six or seven hundred *per Cent.* they would have trebled their own Fortunes by the ruin perhaps of the Families that bought them, and which hath been prevented by that means, although the Company might have no good design therein. And if the Stock be supposed to be worth only 250 *l. per Cent.* (which, when the Company's Affairs are re-established, it will undoubtedly bear, or a better price) they will have for the long Annuities 24 years purchase, and for the short ones about 14 years purchase; and therefore, in point of Justice, the first Subscribers of the publick Debts can have no reason to complain: And as the same was a fair and voluntary proceeding on both sides, and since fully executed, there can be no pretence for altering or disannulling the same.

The next thing to be done immediately by the Company, is to draw out exact Lists of all the Persons that have borrowed Money on their Stock; and to give notice in the *Gazette* for all such Persons to come and forthwith pay in 100 *per Cent.* of the Money borrowed, and to give Security for payment of the residue with Interest, in like manner and in such proportions as the residue of the Third Subscription is now to be paid; or that otherwise their Names will be printed, and they will be sued for the same, or to that effect. Thereby some by shame, and others by fear, would be influenced to come and comply with so kind and reasonable a Proposal: And those who continue obstinate, should immediately be sued for the Money by them borrowed. And if by any Fraud or Collusion of the Clerks or Directors of the Company, any of the Money be lent out to insolvent Persons, such Clerks or Directors should be made answerable for the same; but where such Insolvency hath happened since, the Managers may be reasonably excused. By these or such like means, all or most of the Money lent would be secured, and one fourth part thereof, or about 2,500,000, immediately return to the Company.

If these healing Methods are used, the next thing to be considered is for the Company to make preparation for a Dividend at *Christmas*; and in order to give a little Life to the Cause, that Dividend should be 10 *per Cent.* in Money to be paid to all the Proprietors of the Stock that have paid their full purchase



purchase Money, and to be deducted out of the future Payments of the other Proprietors; and to make such Dividend the Company will not want Money, but have a very great Overplus; for such Dividend will amount to only the Sum of about 1,500,000 in Money to be paid by the Company.

But supposing the Mortgaged Stock to be redeemed, the Company will then have a Capital of above 27 Millions, which they cannot have without taking in a sufficient number of the publick Debts for that purpose, and which if the last Subscription be discharged, cannot be without taking in some of the publick Debts; their old Capital and Stock they are entituled unto by the first Subscription of the publick Debts, amounts unto only

21,186,000

And therefore in order to make the Capital of

27,494,490

The Company must take in as much more of the publick Debts, as will entitle them to an allowance from the Government of

6,308,490

And the question will be, whether that will best be done in paying off some of the Redeemables, or purchasing in also some of the remaining Irredeemables, and whence they shall have the Money for that purpose.

If the Government will please to dispense with or release the Payment of the Premium to be paid, for taking in so much of the Redeemables, it will be best to take in all the Redeemables except the Lottery Annuities transferable at the Bank, or so much thereof as will be sufficient. And that the Company will have sufficient Money for that purpose by the 29th of September next, will appear by examining what Money they will then have in their Hands.

It hath been supposed that at Michaelmas last the Company had only 1000 l. in Money, which was then all their Cash.

|                                                           |           |
|-----------------------------------------------------------|-----------|
| Receiv'd since the 14th of November that should have been | 1000      |
| the 14th of October on the first Money Subscription,      | 667,500   |
| Ditto 14th of December                                    | 667,500   |
| Ditto 14th of February                                    | 667,500   |
| Ditto 14th of April 1721.                                 | 667,500   |
| Ditto 14th of June 1721.                                  | 667,500   |
| Ditto 14th of August 1721.                                | 667,500   |
| Upon the 2d Subscription 14th of January.                 | 600,000   |
| Ditto 14th of May 1721.                                   | 600,000   |
| Ditto 14th of September 1721.                             | 600,000   |
| Upon the 3d Subscription of July 2d 1721.                 | 2,000,000 |
| Upon the 4th Subscription 26th of September 1721.         | 312,500   |

Total 8,118,500

2,500,000

And to be receiv'd back out of the Monies lent

Which if not receiv'd, they will still have so much less Capital in proportion, and so will have occasion to take in so much less of the Publick Debts.

To this must be added Interest of the 9,436,000 allowed for the Annuities taken in from Lady-Day 1720 to Michaelmas 1721, and which amounts to

707,700

Interest of 11,750,000 Old Capital for the same time

891,250

About a Years Interest of the 2,312,500

115,625

A Years Interest of 14,187,500 residue of the 3d and 4th Subscription

709,375

A Years Interest of residue of the Loan.

the 413,250

Total 13,445,000

Out of which must be deducted for  
 the Purchase of so much of the Re-  
 deemables } 6,308,490  
 A Dividend of 10 per Cent. on the } 2,749,449 } 10,707,608  
 whole Capital for *Christmas*,  
 And a Dividend of 6 per Cent. for } 1,649,669 }  
*Midsummer 1721*.  
 Which being deducted out of the aforesaid Sum }  
 Total, there then will remain a clear Sum of } 2,737,392  
 For the Use of the Company to be employed  
 in Trade as to the Payment of the said Sums

Perhaps, it may be said the Company have given Notice that they would re-  
 ceive their Bonds in Payment thereof; but then it will be proper to consider  
 what Quantity and to what Value there are of *South-Sea Bonds*.

The Bonds given by the Company on account of the Subscription of the  
 Annuities amount to 2,583,084 *l.* 10 *s.* which are payable at very distant times  
 and if the Interest thereof be duly paid, no doubt but the Owners thereof  
 will not only be content therewith, but glad thereof, and such Bonds will in-  
 stead of being at a Discount, be at a Premium. Supposing then the Company  
 owed at the time of the Agreement upon their Bonds 500000, yet the above-  
 mentioned Sum of 2,737,392, would pay all the Bond Creditors of the Com-  
 pany that should desire to be paid; and the Company regaining their Credit,  
 might easily encrease their Bonds to Six or Seven Millions, till the other Sums  
 payable to the Company should become due, and thereby the Company discharge  
 all their Debts.

It must therefore be allowed, that the Company to carry on a Trade might  
 have Credit upon their Bonds for Six or Seven Millions; and that they might  
 trade to Advantage therewith, will be herein afterwards shewn.

Let it then be supposed, the Company besides the Bonds to the Proprietors  
 of the Annuities owed as much more upon their Bonds as made in the  
 whole

And for the Interest thereof

|                                                                    |            |
|--------------------------------------------------------------------|------------|
|                                                                    | 3,100,000  |
|                                                                    | 137,392    |
|                                                                    | <hr/>      |
|                                                                    | 3,237,392  |
|                                                                    | <hr/>      |
| Deducting thereout                                                 | 2,737,392  |
|                                                                    | <hr/>      |
| Remains                                                            | 500,000    |
| They would still owe, and that they borrow to trade with,          | 6,000,000  |
| Then their whole Debt would be                                     | 6,500,000  |
| The State of the Stock would then be at <i>Michaelmas 1721</i> , } | 27,494,490 |
| a Capital Stock, }                                                 |            |
| And which would be entitled to the following Sums, viz. }          | 27,494,490 |
| from the Government                                                |            |
| From the Subscribers                                               | 14,187,500 |
| And from the Borrowers                                             | 8,275,000  |
|                                                                    | <hr/>      |
|                                                                    | 49,956,990 |
| Out of which must be deducted the Money to be paid the             |            |
| Government 2,511,760, and the Debt upon the Companies              | 9,011,760  |
| Bonds 6,500,000                                                    |            |
|                                                                    | <hr/>      |
| And there will then remain                                         | 40,945,230 |

Besides the Six Millions employ'd in Trade, and which at a very low Compu-  
 tation



tation of only 20 *per Cent. per Annum* for the Profit thereof would amount unto

1,200,000

And the Interest of 40,945230 at 5 *per Cent.*

2,047261—10

3,247261—10

And which divided upon the whole Capital Stock of 27,494490, would make a constant Annual Dividend of 12 *per Cent. per Annum*, or at least within 3 or 4 Shillings.

'Tis amazing that a Company at first erected upon a pretence of Trade should take so little Care to begin, fix, or improve any Trade, and that when at last they had got into their Possession a great deal of ready Money, they should employ their Genius in Stock-Jobbing, or to speak plain, in gaming away their own Treasure, and encouraging others in the same Phrenzy.

Is Trade become so unprofitable? Are our own Goods made so ill or cost so dear that no part of the *West-Indies* will take off our Commodities, that those Countries that abound so much with Wealth will not in exchange for our Goods yield us any part of their Treasure? Could so great and so rich a Company settle no Factories there? Certainly it is our own Indolence, who will not take the pains either to secure or improve our Trade: And the *South-Sea Company*, by having so great a Stock of Money, might be able at all times to secure Work to our own poor Manufacturers, would always buy in their Goods cheap, be able to keep them for the best Market for Sale, and by a careful Management would at least receive a Profit of 20 *per Cent.* perhaps 30 or 40 *per Cent.* For the whole Six Millions they should thus employ in Trade, and in this Computation no Advantage on that account is allowed till after *Michaelmas* 1721, a reasonable time being necessary for the Company to recover out of its present Confusion, and to provide for the carrying on so extensive and beneficial a Trade.

And if by this means a Dividend of twelve *per cent.* can be effectually secured to the Company, as undoubtedly it may when Credit is restor'd, no doubt 300 *per cent.* will not be thought too great a Price for their Stock: perhaps it may rise higher. And if the Profits by Trade should be larger, the Dividends would be greater, and the Price proportionably higher. And as one thing will help another, those who are to make future Payments will more readily comply therewith. And the better to enable them so to do, it may not be amiss for the Year ensuing to omit granting any new Tax or Imposition, but to supply the Service of the Year out of the Money to be paid by the Company for the long Annuities by them taken in.

It would be a great Ease to the Sufferers by the late Transactions to have a Year's Respite from the Land and Malt Tax, which would give them time to recover their Losses, and quiet their Minds under their present Sufferings, by being convinced the Government are willing to help them therein, and in compassion desire no new Aids this Session of Parliament. And that the Administration of Publick Affairs may not suffer thereby, the *South-Sea Company* in Gratitude for being released from the payment of 4,156,000 for taking in the Redeemables, should consent to begin the Payment of 2,511,760 at *Michaelmas* 1721, and finish the same by four quarterly Payments; and Tallies might in the mean time be struck for the Money.

As to the Redeemables to be purchased in by the Company to the Amount of 6,308,490 to compleat the Capital of the Company, 'twill be best not to meddle with any of the Annuities payable at the Bank, but to let them remain untouched there transferable as formerly, and they will in a little time be of equal Value with Specie-Money. But to purchase in so much of the rest of the Redeemable Debts as amounts to the foregoing Sum, and in consideration of the speedier Payment by the Company of the foresaid 2,511,760. That therefore all the said Redeemable Debts taken in by the Company carry Interest at 5 *per cent.*

cent. till 1727, in like manner with the rest of their Debt from the Government. In times of General Calamity the honestest Men and the most generous and fair Dealers meet with the worst Treatment : and many an honest Family have lately felt the Effects of severe Usage, altho they have been kind and used Forbearance to others. 'Tis hard to let such men perish ; and if at any time the Legislature should interpose, and stop the harsher Process of the Law, it should be at such a time. With what Violence have some People of late endeavour'd to compel others to perform hard Contracts, and sometimes unlawful ones ? And yet the poor Contractor, not being able by means of the present Calamity to make Satisfaction, hath been hurried to Goal or forced to abscond, and then comes a Commission of Bankrupt, and the whole Family is ruined.

This hath been often done, and great Shocks thereby given to Trade and Credit.

It hath been much questioned whether the depriving the Subject of his Liberty upon mean Process was ever a Benefit to this Nation. In extraordinary Emergencies there have been Suspensions of the Law both against the Liberty of the Subject, and in favour thereof. Such have been the temporary Suspension of the *Habeas Corpus* Act on the one side, and on the other side the Acts for punishing of Mutiny and Desertion, whereby Care was taken to prevent arresting Soldiers and holding them to special Bail, but with liberty after notice left to file a common Appearance, and to proceed to Judgment. How far such a Law may be now reasonable to extend to all Contracts before the twenty ninth of September last for the Space of six Months or some such time, that those who in time could raise Money to satisfy all their Creditors, may have an Opportunity for doing the same, or qualified with Restrictions as to Money lent, or Goods really sold, and of which a previous Affidavit to be made, or in some such Method, is submitted to the Judgment of the Parliament in their approaching Session.

'Tis hoped by the foregoing, or some other safe and honourable Methods, wherein the Publick Faith may be no ways impeached, nor the Creditors of the Nation discourag'd, the Wounds our Trade and our Credit have lately received may be effectually cured. And as when once by the wicked Designs and corrupt Management of traiterous Villains we were sunk from the Height of Glory to be a ruin'd and despicable People, His Majesty arose our Deliverer, and by his fortunate and wise Genius restored the *British* Crown to its former Lustre, Weight and Power, and the Nation to its wonted Virtue ; So now his Majesty may by the Wisdom and Goodness of his Counsels raise the drooping Head of the Nation's Credit, revive the fainting Spirits of his dutiful Subjects, and we become again a wealthy, formidable, and loyal People.

Then Arts shall flourish, plenteous Joys abound,  
And brightest Years in their appointed Round  
Shine forth, and every Loyal Muse shall sing  
The Happiest Island and the Greatest King.

**F I N I S.**